OST 96-1700



THE SECRETARY OF TRANSPORTATION

WASHINGTON, D.C. 20590

April 2, 1998

The Honorable Peter Deutsch U. S. House of Representatives Washington, D.C. 205 15

OST-96-1700-125 OST-97-3285-38 98 APR 29 AM II: 05.

Dear Congressman Deutsch:

Thank you for your letter, cosigned by your congressional colleagues, concerning the American Airlines-TACA Group application for authority to conduct code-share operations between the United States and six Central America countries (Docket OST-96-1700), and the American-Lan Chile application for approval of and antitrust immunity for an alliance agreement (Docket OST-97-3285).

I can assure you that the Department is committed to the continuation of effective competition in the U.S.-Central and South America markets. We fully anticipate that these new liberalized openskies' regimes between the United States and six Central America countries and Chile will provide U. S. communities, including Miami, with increased service and enhanced business opportunities.

As these proceedings are currently pending before the Department and have been contested, I arn sure you understand that the Department's rules preclude me from commenting on their merits at this time. I can assure you that we will consider all relevant factors in reaching our decisions. I will also see that you receive a copy of the Department's decisions in each of these matters.

In accordance with the Department's Rules of Conduct (14 C.F.R. Part 300), I am placing a copy of your letter and my response in the correspondence section of Dockets OST-96-1700 and OST-97-3285, as well as in the file for views submitted outside the formal record of these cases. If you have any further questions, please contact me or Steven Palmer, Assistant Secretary for Governmental Affairs, at (202) 366-4573.

Identical letters have been sent to the other cosigners of your letter.

I appreciate your interest in this matter.

Sincerely

Rodney E. Slater



THE SECRETARY OF TRANSPORTATION DOCKET SECTION

WASHINGTON, D.C. 20590

98 APR 29 PH 12: 28

April 2, 1998

The Honorable Carrie P. Meek U. S. House of Representatives Washington, D.C. 20515

Dear Congresswoman Meek:

Thank you for your letter, cosigned by your congressional colleagues, concerning the American Airlines-TACA Group application for authority to conduct code-share operations between the United States and six Central America countries (Docket OST-96-1700), and the American-Lan Chile application for approval of and antitrust immunity for an alliance agreement (Docket OST-97-3285).

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Rodney E. Slaver



THE SECRETARY OF TRANSPORTATION

WASH I NGTON, D.C. 20590

DEPT. OF TRANSPORTATION DOCKET SECTION

98 APR 29 PM 12: 29

April 2, 1998

The Honorable Robert Wexler U. S. House of Representatives Washington, D.C. 20515

Dear Congressman Wexler:

Thank you for your letter, cosigned by your congressional colleagues, concerning the American Airlines-TACA Group application for authority to conduct code-share operations between the United States and six Central America countries (Docket OST-96-1700), and the American-Lan Chile application for approval of and antitrust immunity for an alliance agreement (Docket OST-97-3285).

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Sincerely

Rodney E. Slater

Congress of the United States

Washington, **DC** 20515

DEPT. OF TRANSPORTATION DOCKET SECTION

98 APR 29 PM 12: 29

March 10, 1998

The Honorable Rodney E. Slater Secretary of Transportation 400 7th Street, SW Room 10200 Washington, D. C . 20590

Dear Secretary Slater:

As members of the South Florida congressional delegation, we respectfully urge the Department to expeditiously complete its review of the codesharing agreement proposed by American Airlines and the TACA Group (OST-96-1700) -- an agreement that has now been pending at the Department for nearly 20 months. We also request that the Department complete its consideration of the antitrust and codeshare applications submitted by American Airlines and Lan Chile on December 23, 1997.

Over the years, American Airlines, in partnership with the south Florida community, has steadily built Miami International Airport into a world-class international hub through which tens of millions of travelers pass annually. The extensive array of flights American offers today to dozens of points in North America, Latin America, and Europe has acted as a magnet attracting economic activity to the area, making South Florida a vibrant international business center.

Since 1995, the DOT policy favoring codesharing relationships between U.S. and foreign airlines has fundamentally changed the nature of international aviation. Competition is now globally based, and occurs between networks of allied carriers that, with DOT's approval, link networks that offer passengers the functional equivalent of single carrier service over their combined systems. These agreements have made communities with hub airports the center of economic activity and greatly increased passenger service.

We believe that DOT should act expeditiously to complete its review of the aforementioned agreements so Miami International Airport and our South Florida community may enjoy the benefits of these agreements. In doing so, your Department will open the door to increased service and competition from Miami to Central and South America, greater price and service options in those markets, and an array of consumer benefits such as fully reciprocal frequent flyer agreements for passengers.

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The Honorable Rodney E. Slater March 10, 1998 Page Two

We believe that DOT's prompt and favorable review of these two transactions will be a good start in giving Miami and South Florida a fair chance to enjoy the rewards experienced by other communities with similar agreements already in place. Thank you for your consideration of these important matters.

Sincerely,

Peter Deutsal

Carrie P Mack

Robert Wexler